AMENDED IN ASSEMBLY APRIL 7, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1200

Introduced by Assembly Member Gordon

February 27, 2015

An act to amend Section 82002 of the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

AB 1200, as amended, Gordon. Political Reform Act of 1974: lobbying: procurement contracts.

Existing provisions of the Political Reform Act of 1974 regulate the activities of lobbyists, lobbying firms, and lobbyist employers, as defined, in connection with attempts to influence legislative and administrative action by legislative and other state officials, including requirements that lobbyists, lobbying firms, and lobbyist employers register and file periodic reports with the Secretary of State. For purposes of these provisions, "administrative action" is defined to include the proposal, drafting, development, consideration, amendment, enactment, or defeat by any state agency of any rule, regulation, or other action in any ratemaking proceeding or any quasi-legislative proceeding.

This bill would additionally define the term "administrative action" to include the awarding of specified statewide contracts by the Office of Procurement in the Department of General Services, governmental procurement, which would be defined to include various actions regarding procurement contracts, thereby making the above-described lobbying requirements applicable to actions that attempt to influence those statewide contracts. governmental procurement.

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Because a willful violation of the act's provisions is punishable as a misdemeanor, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: ²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 82002 of the Government Code is 2 amended to read:
- 3 82002. (a) "Administrative action" means any of the following:
- 4 (1) The proposal, drafting, development, consideration, amendment, enactment, or defeat by any state agency of any rule, regulation, or other action in any ratemaking proceeding or any quasi-legislative proceeding, which shall include any proceeding governed by Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2.
 - (2) With regard only to placement agents, the decision by any state agency to enter into a contract to invest state public retirement system assets on behalf of a state public retirement system.
 - (3) Proceedings involving the awarding of statewide contracts.
 - (3) Governmental procurement.

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- (b) "Ratemaking proceeding" means, for—the purposes of a proceeding before the Public Utilities Commission, any proceeding in which it is reasonably foreseeable that a rate will be established, including, but not limited to, general rate cases, performance-based ratemaking, and other ratesetting mechanisms.
- (c) "Quasi-legislative proceeding" means, for purposes of a proceeding before the Public Utilities Commission, any proceeding that involves consideration of the establishment of a policy that will apply generally to a group or class of persons, including, but

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not limited to, rulemakings and investigations that may establish rules affecting an entire industry.

- (d) "Statewide contract" has the same meaning as that term is defined in Section 10290 of the Public Contract Code with respect to a contract subject to Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code that has a total estimated cost in an amount over two hundred fifty thousand dollars (\$250,000). Commencing January 1, 2018, this minimum amount shall be adjusted in the manner provided by subdivision (b) of Section 10105 of the Public Contract Code.
 - (d) "Governmental procurement" means any of the following:
- (1) Preparing the terms, specifications, bid documents, request for proposals, or evaluation criteria for a procurement contract.
 - (2) Soliciting for a procurement contract.
 - (3) Evaluating a procurement contract.

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- (4) Awarding, approving, denying, or disapproving a procurement contract.
- (5) Approving or denying an assignment, amendment, other than an amendment authorized and payable under the terms of a procurement contract as the procurement contract was finally awarded or approved, renewal, or extension of a procurement contract, or any other material change in a procurement contract resulting in financial benefit to the offeror.
- SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIIIB of the California Constitution.
- 33 SEC. 3. The Legislature finds and declares that this bill furthers 34 the purposes of the Political Reform Act of 1974 within the meaning of subdivision (a) of Section 81012 of the Government 36 Code.